

Condensed Consolidated 3rd Quarter Statements of Cash Flows

| | Q3 Fiscal 2006 (January to September 2006) | Q3 Fiscal 2005 (January to September 2005) | Fiscal 2005 (January to December 2005) |
|--|---|---|---|
| | Millions of yen | Millions of yen | Millions of yen |
| I. Cash flows from operating activities | | | |
| Income before income taxes | 663 | 2,385 | 8,737 |
| Depreciation and amortization | 7,260 | 7,015 | 9,754 |
| Impairment loss | 197 | - | - |
| Decrease in accrued retirement benefits | (6,001) | (3,001) | (3,760) |
| Interest and dividend income | (395) | (385) | (445) |
| Interest expense | 242 | 189 | 255 |
| Loss on disposal of property, plant and equipment | (5,349) | 69 | (183) |
| Equity in earnings of non-consolidated subsidiaries and affiliates | (1,246) | (1,125) | (1,768) |
| Decrease in trade notes and accounts receivable | 12,496 | 5,665 | (11,717) |
| Increase in inventories | (4,269) | (2,405) | (1,483) |
| Decrease in trade notes and accounts payable | (6,124) | (9,382) | 6,345 |
| Increase (decrease) in accrued expenses and other payables | 352 | (8,979) | (4,198) |
| Other, net | 2,475 | 2,958 | 190 |
| Subtotal | 299 | (6,996) | 1,725 |
| Interest and dividends received | 1,670 | 1,787 | 1,970 |
| Interest paid | (241) | (193) | (262) |
| Income taxes paid | (1,661) | (1,547) | (1,568) |
| Net cash provided by operating activities | 67 | (6,950) | 1,865 |
| II. Cash flows from investing activities | | | |
| Decrease in time deposits | 142 | 2,489 | 2,627 |
| Redemption of short-term investments | 500 | - | - |
| Purchases of property, plant and equipment | (7,493) | (7,014) | (8,943) |
| Proceeds from sale of property, plant and equipment | 6,877 | 974 | 1,899 |
| Purchases of intangible assets | (497) | (146) | (805) |
| Purchases of investment securities | (1,752) | (1,485) | (4,562) |
| Proceeds from sale of investment securities | 3 | 506 | 506 |
| Additions to loans receivable | (145) | (92) | (153) |
| Proceeds from loans receivable | 122 | 118 | 188 |
| Other, net | 1,156 | 33 | (18) |
| Net cash used in investing activities | (1,086) | (4,617) | (9,262) |
| III. Cash flows from financing activities | | | |
| Increase in short-term loans payable | 6,876 | 6,218 | 6,473 |
| Repayment of short-term loans payable | (6,537) | (4,974) | (5,688) |
| Repayment of long-term loans payable | (195) | (76) | (78) |
| Proceeds from commercial paper | 25,786 | 7,842 | 15,448 |
| Redemption of commercial paper | (18,286) | (341) | (15,448) |
| Purchases of odd-lot shares | (66) | (114) | (177) |
| Net proceeds from sale/purchases of treasury stock | 321 | (51) | 314 |
| Cash dividends | (2,575) | (2,021) | (2,260) |
| Cash dividends to minority shareholders | (107) | (98) | (98) |
| Other, net | - | - | 0 |
| Net cash used in financing activities | 5,215 | 6,382 | (1,514) |

| | | | | |
|--------------|---|--------|---------|---------|
| IV. | Effect of exchange rate changes on cash and cash equivalents | 53 | 70 | 130 |
| V. | Net change in cash and cash equivalents | 4,249 | (5,114) | (8,781) |
| VI. | Cash and cash equivalents at beginning of period | 15,788 | 24,480 | 24,480 |
| VII. | Cash and cash equivalents of newly consolidated subsidiaries | - | 89 | 89 |
| VIII. | Cash and cash equivalents at end of period | 20,038 | 19,455 | 15,788 |